

Africa RISING – Integrating Nutrition in Value Chains (INVC) in Malawi Bridging Activity Project: Quarterly Progress report (01 October 2016 – 31 December 2016)



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The INVC Bridging Activity, hereafter referred to as The Activity, is a two-year project funded by the USAID Malawi Country Mission. It is a relay project/ activity between the Integrating Nutrition in Value Chains (INVC) 1 Project which came to an end in October 2016 and its successor project, Agricultural Diversification of Incomes and Nutrition (ADIN).

The Activity was commissioned with the objective of ensuring that the gains achieved by INVC 1 project are not lost in between the transition phase from INVC 1 to ADIN. It therefore carries on with the implementation of some of the actions implemented under INVC 1. Specifically, The Activity provides continuity in assistance to a subset of smallholder farmer groups and EPAs that received services from INVC for the 2016/17 and 2017/18. It also includes latest research findings from the Africa RISING project to further boost production of the Activity beneficiaries.



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Integrating Nutrition in Value Chains (INVC) Bridging Activity Project

IITA – International Institute of Tropical Agriculture

QUARTERLY PERFORMANCE REPORT

(01 October 2016 – 31 December 2016)

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States government.

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Acronyms and Abbreviations

ACE	Agricultural Commodity Exchange for Africa
ADC	Area Development Committee
ADIN	Agricultural Diversification Income and Nutrition
AEDC	Agriculture Extension Development Coordinator
AEDO	Agriculture Extension Development Officer
Africa RISING	Africa Research in Sustainable Intensification for the Next Generation
AGRA	Alliance for Green Revolution in Africa
AGSWAp	Agriculture Sector-wide Approach
AHCX	Auction Holdings Commodity Exchange
AI SL	Agri-Input Suppliers Ltd
BVO	Bid Volume Only
CAADP	Comprehensive Africa Agricultural Development Programme
CADECOM	Catholic Development Commission of Malawi
CBO	Community-based Organization
CDCS	Country Development Cooperation Strategy (USAID)
CDI	Clinton Development Initiative
CGIAR	Consultative Group on International Agricultural Research
CMI	Champion for Market Information
CNFA	Citizens Network for Foreign Affairs
CoP	Chief of Party
CRS	Catholic Relief Services
DADO	District Agricultural Development Officer
DAECC	District Agricultural Extension Coordinating Committee
DAES	District Agricultural Extension Service
DARS	Department of Agriculture Research Services
DEC	District Executive Committee
DFID	Department for International Development (UK)
EPA	Extension Planning Area
ETG	Export Trading Group
FAO	Food and Agriculture Organization of the United Nations
FO	Farmers' Organization
FOG	Fixed Obligation Agreement
FtF	Feed the Future
FUM	Farmers' Union of Malawi
FY	Fiscal Year
GAP	Good Agronomic Practices
GDP	Gross Domestic Product
GIS	Geographic Information System
GoM	Government of Malawi
GP	Groundnut platform
GPS	Global Positioning System
GSL	Grain Security Limited
Ha	Hectare
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics

ICT	Information Communication Technology
IFRI	International Food Policy Research Institute
IITA	International Institute of Tropical Agriculture
IITA	International Institute of Tropical Agriculture
INVC	Integrating Nutrition in Value Chains
IPM	Integrated Pest Management
IR	Intermediate Results
ISFM	Integrated Soil Fertility Management
IT	Information Technology
LUANAR	Lilongwe University of Agriculture and Natural Resources
MAPAC	Malawi Program on Aflatoxin Control
MAPS	Malawi Agricultural Policy Strengthening
MCC	Millennium Challenge Corporation
MGDS II	Malawi Growth and Development Strategy II
MIP	Market Information Point
MISST	Malawi Improved Seed Systems and Technologies Program
MKW	Malawi Kwacha (symbol for)
MoAIWD	Ministry of Agriculture, Irrigation, and Water Development
MOST	Malawi Oilseed Sector Transformation Program
MRA	Malawi Revenue Authority
MSME	Micro, Small, Medium-Scale Enterprise
MSU	Michigan State University
NGO	Non-Governmental Organization
OSPTWG	Oil Seed Products Technical Working Group
OVO	Offer Volume Only
PMEP	Project Monitoring and Evaluation Plan
R4D	Research for Development
RMA	Rural Marketing Advisor
RUMARK	Rural Market Development Trust
SAIOMA	Strengthening Agricultural Input and Output Markets in Africa
SANE	Strengthening Agricultural and Nutrition Extension Services
SSTP	Scaling Seeds and Technologies Partnership
SSU	Seed Services Unit
STAM	Seed Traders Association of Malawi
STEPS	Supporting the Efforts of Partners
TWG	Technical Working Group
UN	United Nations
USAID	United States Agency for International Development
USG	United States Government
VC	Value Chain
VFP	Village Financial Platform
VSLA	Village Savings and Loan Associations
WRS	Warehouse Receipt System
ZOI	Zone of Influence

Executive summary

Four staff members reported for duty in the Bridging Activity during the reporting period. These were the Activity Manager, the Ag Specialist, Administrative Officer, and Value Chain Specialist. However, the Activity is yet to identify a suitable M&E Specialist because three successful candidates had consecutively declined to take an offer to take up the position. Reasons given were low remuneration and a better offer of a longer contract elsewhere. The new staff immediately kicked off prioritized activities because planting rains were expected at any time and there was an urgent need to get inputs of certified seeds of groundnut and soybean and inoculant to farmers to enhance productivity and market competitiveness. Validation of farmer groups to benefit in the seed loan scheme was done in October from which the determination of seed quantities and varieties was derived.

Tender documents for the supply of certified seeds of groundnut and soybean were prepared and sent to prequalified STAM certified seed suppliers. The IITA Procurement Committee recommended most competitive bids for the supply of certified seeds. Successful bidders were contracted to supply 210 t of certified seeds and deliver to implementing partners' depots, from where these were distributed to FOs. Delivery of seeds was completed by 24 November and in some areas planting commenced immediately.

Monitoring of the seed distribution exercise and crop establishment was done. Generally, field germination was good, especially for soybean. However some farmers have reported low germination rates in groundnut in Mchinji and Dedza. An independent inquiry on the cause of the poor germination was instituted by SSU and a report is yet to be issued.

Training of Trainers in good production practices was conducted in November and target groups were AEDICs from participating EPAs, partner field staff, AEDOS, and lead farmers in the five districts of Dedza, Lilongwe, Mangochi, Mchinji, and Ntcheu.

Meetings with leaders of the ADIN project were held to explore areas of potential collaboration. It was agreed in principle that the INVC Bridging Activity and ADIN would collaborate in the implementation of Component 2 (Advancing Market Competitiveness) since it cannot roll out field activities before Quarter 3. To facilitate collaborative planning, the INVC Bridging Activity shared its draft plan with the ADIN CoP.

A process of re-registering vehicles transferred from the INVC project to the Bridging Activity was initiated in mid-November. The process has faced delays owing to demands from MRA and the Directorate of Road Traffic for more documentation to transfer custody of the vehicles to IITA. It is expected that the process should be through by the second week of January.

Contracts for implementing partners CADECOM, FUM, and WE EFFECT were developed and signed. Consequently, initial funds were transferred to partner accounts in December.

Four meetings were held with USAID during the quarter to update the USAID Mission AgDev team on progress of the Activity. A joint monitoring visit was made to Mchinji on 7 December to assess seed credit distribution and farmer feedback on the scheme.

Terms of Reference for five positions of Field Technician who are to be stationed in districts to coordinate activities were prepared and the positions were advertised in November. Short-listing is ongoing and interviews are to be held in early 2017.

Introduction

The Activity features two major components of INVC: (1) Advancing value chain competitiveness and (2) Improving productivity. The objective is to deepen participation in the grain legume value chain by farmers previously assisted by INVC.

Component 1 aims to improve the competitiveness of the grain legume value chain by increasing access to business development and financial and extension services, transforming the relationships between value chain actors, and strengthening market linkages. The hypothesis is that the development of efficient value chains and remunerative markets will act as a pull factor for the sustainable production of the different commodities. Priority is being placed on fostering direct agreements among participating producer groups, sources of inputs, and buyers of products that have the potential to be sustained after the conclusion of the Activity.

Component 2 aims at increasing the productivity of soybean and groundnut through the efficient use of natural resources (land and water) and increased adoption of improved varieties and recommended agronomic practices while at the same time minimizing the negative impacts on the environment.

Support for grain legume Seed Fairs in three districts (Mangochi, Balaka, and Machinga) is also a feature of Component 2.

The main **objective** of the Activity is inclusive agricultural sector growth that will contribute to improved household incomes. The focus on grain legumes has the potential to contribute to increased incomes and also to a diversified diet with improved protein intake which should lead to reduced stunting and improved nutritional outcomes for women and children. The objective will be achieved through the following **intermediate** results: (1) improved agricultural productivity, and (2) expanded markets and trade, as measures that will also transform the less productive agricultural sector in Malawi.

Geographic zone of influence

The INVC Bridging Activity is operating in seven districts in FtF's ZOI in Malawi. The Activity's service is targeting up to 39,000 rural households that will benefit from productivity and value chain interventions in five districts (Dedza, Ntcheu, Mchinji, Lilongwe rural, and eastern highlands in Mangochi). In total, the activity will cover 15 EPAs in Mangochi, Ntcheu, Dedza, Lilongwe, and Mchinji. An additional 18,000 will benefit from Seed Fairs in Mangochi lowlands, Balaka, and Machinga during this year.).

Implementing partners

The Bridging Activity has partnered with seven organizations in the implementation of the Activity. Each of the partners has a specific role and/or geographic zone to cover. The six implementing partners are the following:

- i. Agricultural Commodity Exchange (ACE) is responsible for the implementation of activities to promote value chain competitiveness in Lilongwe and Mchinji. They are also providing capacity building to trainers for three partners operating in three other geographic areas.

- ii. CADECOM is implementing activities in four EPAs in Dedza (Chafumbwa and Kanyama) and Ntcheu (Njolomole and Bilira).
- iii. Farmers Union of Malawi (FUM) is implementing activities in five EPAs in Dedza (Linthipe), Lilongwe (Chileka, Chitsime) and Mchinji (Chiosya and Mikundi).
- iv. WE EFFECT (WE) is implementing activities in Mangochi (Katuli and Ntiya).
- v. Catholic Relief Services (CRS) is responsible for conducting Seed Fairs in Balaka, Machinga, and Mangochi.
- vi. Malawi Improved Seed Systems and Technologies Program (MISST) is responsible for providing extension messages on the best technologies for increasing the productivity of grain legumes for smallholder farmers, and accelerating adoption of the technologies through demonstration plots and field days.
- vii. Michigan State University (MSU) is responsible for providing teaching and learning materials for delivery to farmer groups through Training of Trainers for extension staff of implementing partners and DAES in collaboration with the Bridging Activity Agricultural Productivity Specialist and Value Chain Specialist.

Project implementation

The main activities during this quarter have been the validation of farmer groups, inputs procurement, Training of Trainers and planning and monitoring seed procurement and distribution, and crop establishment.

Meetings with collaborative partners of SANE and ADIN projects were held to explore areas of potential collaboration. SANE was linked with ACE to collaborate on utilizing district extension forums to advance organized market messages through the district agricultural committees and other stakeholder forums. In discussions with ADIN, it was agreed in principle that the INVC Bridging Activity and ADIN would collaborate in the implementation of Component 2 activities (Advancing Market Competitiveness) since they cannot roll out field activities in Quarter 2 as the office is just being established in Malawi. To facilitate collaborative planning, the INVC Bridging Activity shared its draft plan with the ADIN CoP.

A process to re-register vehicles transferred from the INVC project was initiated mid-November. The process has faced delays due to demands from MRA and the Directorate of Road Traffic for more documentation to transfer custody of the vehicles to IITA. It is expected that the process should be through by the second week of January.

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Advancing value chains: facilitate access to market information and marketing opportunities

Promote product aggregation and collective marketing

Since October ACE and partners (FUM, CADECOM, and WE EFFECT) have worked together to identify FOs within the listed EPAs. Table is a list of identified FOs. This list will continue to be developed over the coming quarter.

Table 1: Farmer organizations and number of beneficiaries of seeds from INVC Bridging Activity

Farmer Organization	District	Partner	Crop	Collective marketing	ACE WH	Members		
						Male	Female	Total
Lifidzi Association	Dedza	CADECOM	GNuts	Yes	Yes	2671	3891	6,562

Dedza Association	Dedza	CADECOM	GNuts	Yes	No	2,116	1,890	4,006
Chitowo Soya Cooperative	Dedza	FUM	Soya	Yes	No	505	504	1,009
Machichi Cooperative	Mchinji	FUM	GNuts	Yes	Yes	317	192	509
Mikundi Cooperative	Mchinji	FUM	GNuts	Yes	No	436	314	750
Nachichi Cooperative	Lilongwe	FUM	Soya	Yes	No	230	213	443
Nyanja	Lilongwe	FUM	Soya	Yes	No	602	399	1,001
Njolomole Chapter	Ntcheu	CADECOM	Soya	Yes	No	366	600	966
Bilila Cooperative	Ntcheu	CADECOM	Soya	Yes	Yes	40	7	47
Katuli Association	Mangochi	WE EFFECT	Soya	Yes	Yes	1682	1068	2750
Mtiya Association	Mangochi	WE EFFECT	Soya	No	No	452	409	861
Total						9,417	9,487	18,904

Promote commodity marketing options

To promote services to producers and FOs, ACE embarked on the Chithumba model, meaning “package model”. This model provides producers with inputs for soybean or groundnut on the understanding that the repayment will be in grain at the time of harvest via an ACE Certified Warehouse at the end of the season (May / June 2017). This model was piloted in the 2015-2016 growing season and has been scaled-up this growing season. During the reporting period, ACE has focused its operations in Mchinji and Lilongwe, namely around Nabulenje Warehouse in Mchinji (working with producer groups in Mikundi and Chiosya EPA) and Nsaru and Nathenje Warehouses in Lilongwe (working with producer groups in Nsaru, Ukwe, Mitundu, and Malingunde EPAs). As illustrated in Table 2b, a total of 1,088 and 2,464 producers are taking part in the activity in Mchinji and Lilongwe districts. In both districts, the new producers were able to have access to 15 or 30 kg of seeds whereas producers that took part in the initiative last year were able to access 15, 30, or 45 kg of seeds in total. In areas around Nsaru and Nabulenje ACE is promoting contract farming arrangements with un-identified buyers under the MOST model. The activity relates to the work that ACE is doing on the Chithumba model. These locations also link to the Bridging Activity warehouse operational support at Nabulenje Warehouse in Mchinji and Mgwirizano Warehouses in Nsaru.

The realized number of producers is short by 143 farmers of the planned target of 3,000 due to the challenge of identifying those willing to participate in the model. Some who had registered

to participate in the Chithumba model withdrew because they felt the repayment rate of 120 kg of grain from a seed loan of 30 kg was too high compared with other seed loan schemes where the normal repayment rate is in a ratio of 1:2. However, this stems from a lack of appreciation of the value of quality seeds because the other seed loans are normally of recycled seeds. The majority of producers who are participating in the model fully appreciated the value of certified seeds and were happy to get the seed loan.

According to the latest calculation that assumes a sales price of \$400/t for soybean grain, for 30 kg of seeds plus two sachets of inoculant (valued at approximately US\$42), the producer will be required to repay 120 kg of soybean grain in May / June 2017.

Table 2a: Distribution of farmers and volume of inputs per location – MOST model

District	Location	No. Farmers	Inputs package	Total volume delivered (t)	Inoculant (# of 50 g sachets)
Mchinji	Nabulenje	320	15, 30, or 45 kg of seeds + inoculant	22.04	1,469
Mchinji	Nabulenje	313			
Lilongwe	Nsaru	455	15 or 30 kg of seeds + inoculant	6.98	421
Total		1,088		29	1,890

Table 2b: Input distribution to farmers and quantity of inputs per location under Chithumba Model

District	Location	No. of farmers	Crop/Variety	Seed Package (kg)	Inoculant (No. of 50 g sachets)
Mchinji	Mikundi	779	G/nut (CG7)	23,370	
Mchinji	Chiosya	578	G/nut (CG7)	17,340	
Lilongwe	Mitundu	581	Soybean (Makwacha)	17430	1,162
Lilongwe	Mlomba	526	Soybean (Makwacha)	15,780	1,052
Total		2,464		73,920	2,214
		3,552			4,104

In addition to the Chithumba model, during October 2016 ACE had originally planned to provide training to partner staff on marketing options. The work plan stipulates that the partner staff should budget and host the training with ACE providing the technical expert for technical

delivery of the training. During the reporting period, due to the later than expected contracting of other IITA implementing partners, this activity did not take place. Therefore, ACE is hopeful that this training can be conducted in the coming quarter.

Awareness raising and training

To promote ACE services to a larger population, ACE embarked on running a weekly radio program on Zodiak Broadcasting Station (ZBS), one of the national radio stations. During the reporting period, 10 programs were aired. In October, ACE negotiated a new contract with ZBS for the production of 13 programs and the airing of 26 programs (with repeats of each production). The broadcasts of these programs commenced on Friday 7 October 2016. It is encouraging to note that the popularity of the program is growing, as evidenced by increased number of inquiry calls to ACE's trade number that follow soon afterwards. RMAs have also observed that most farmers are aware of the program. Currently, ACE is working with ZBS to develop an appropriate tool for tracking listenership data. The program continues to advise farmers on contemporary issues in relation to grain trading and markets. Farmers are also getting updates on trade opportunities and prices of key commodities namely soybean and pigeon pea.

Having noticed how important the program is to farmers, Tiakalulu Media Productions, a company affiliated to ZBS, has produced an ACE services jingle for no cost that can be replayed on any station to bring awareness of importance of ACE per se.

Strengthen and promote access to market information

For the reporting period, ACE had anticipated two activities pertaining to market information dissemination via Champions for Market Information (CMI): (1) to disseminate weekly information from ACE to the CMI at each identified FO, and (2) to inform FOs and MSMEs about upcoming auctions and invite them to participate at the ACE Market Information Points.

A champion for market information (CMI) is an individual (or a committee) in an FO that takes on the role of commodity marketing. ACE wants to ensure that these individuals have full access to market information on a weekly basis so that they can make informed decisions and share information with other members of the organization. However it was not possible to identify and train CMI in Quarter2 because some partners were still establishing the groups to work with. It is expected that the CMIs will be identified during Quarter3 and ACE can commence dissemination of pertinent information to the marketing committees at the FO level.

Scale and strengthen market information systems

To scale the ACE Market Information System ACE needs to scale the client base. This entails the profiling of more producers, FOs and MSMEs, via two avenues: 1. direct profiling of clients by ACE RMAs, and 2. profiling of clients by partners on the project (FUM, CADECOM, and WE EFFECT).

Since the inception of the new Market Information System, the ACE RMAs have managed to profile 3,498 people on the ACE MIS in the FtF ZoI. The breakdown is provided in Table 3.

Table 3: Clients profiled for the ACE MIS since inception, by RMAs, in the FtF Zol

District	Numbers uploaded
Lilongwe	786
Mchinji	996
Dedza	741
Balaka	490
Mangochi	270
Ntcheu	156
Machinga	59
Total	3,498

Lilongwe, Mchinji, and Dedza registered the largest numbers of people profiled and uploaded. It is worth noting that these are the three districts where there are two active RMAs within one district.

Farmer profiles are yet to be completed by CADECOM, FUM, and WE, using the ACE profiling form (Annex 4), which was shared in October. Once collected and entered in Excel, the profiles will be integrated into the ACE MIS and the profiled farmers will be subsequently registered for the different types of market information that ACE offers.

Collect and disseminate market information

Market information is collected by the ACE Rural Marketing Advisors every week, on market day(s) in the area of operation. Information includes wholesale and retail prices for commodities listed on the form provided in Annex 4. This information is uploaded onto the ACE MIS and is subsequently disseminated via SMS, radio, and newspaper.

For the dissemination of the rural market prices via SMS, the producers, FOs, and MSMEs have to be profiled to receive market information. Therefore it not yet possible under the Bridging Activity to disseminate market information to a large numbers of project beneficiaries because the profiling is ongoing and only a small fraction has been profiled by ACE RMAs at this point in time. However, there are already a number of profiled ACE clients in the FtF Zol and over the course of the first quarter ACE disseminated multiple SMS, as summarized in tables 4 and 5.

Table 4: Summary of Price Alert SMSs sent to ACE Clients in the FtF Zol in three months in 2016

Price alerts				Total
District	August	September	October	
Lilongwe	256	358	334	948
Dedza	0	4	0	4
Mangochi	1	0	0	1

Machinga	0	0	0	0
Ntcheu	2	1	3	6
Balaka	0	0	0	0
Mchinji	1	6	10	17
Total	260	369	347	976

Table 5: Summary of Auction SMSs sent to ACE Clients in the FtF Zol in three months in 2016

	Auction SMSs			
District	August	September	October	Total
Lilongwe	6	5255	2673	7934
Dedza	3	0	0	3
Mangochi	0	0	0	0
Machinga	5	0	0	5
Ntcheu	0	0	0	0

For the dissemination of market information via national and community radio, ACE utilizes the weekly radio program on ZBS. During the reporting period, ACE has discussed the following pertinent market information on the radio:

- Information about the trade trends for past years, to help traders make an informed decision for the upcoming marketing season. Explanation on what WFP buys and how prices of commodities are behaving as a result of local demand and supply, international factors, financial institutions changing policies, speculation on production and cross-border trade.
- Information on donations being made by development partners for purchase of maize which may affect prices.
- Information on the importance of monitoring commodity prices when keeping grain on WRS.

ACE has disseminated market information via national newspapers, posting market prices and forward contract prices for key commodities in The Nation newspaper every Wednesday (Annex 2).

The latest prices on the ACE dashboard show spot prices for the main commodities traded on the dates published. Some commodities have more than one spot price. ACE determines these prices by looking at the prices at which the main ACE off-takers are trading. The Forward Contract Prices look at the price at which the commodity would be traded at three future dates. These prices are calculated by taking the spot price and adding the storage costs for the warehouse, the principle of the loan, and the interest of the loan.

Expand market opportunities and facilitate trade

Trade Facilitation

As lead partner in implementing Component 1 of the Bridging Activity, ACE recruited and expanded its network of RMAs to include new districts and EPAs. The core role of the rural team is facilitation of trade, facilitation of warehouse receipt deposits, and marketing of ACE services through awareness raising events and conducting more detailed trainings on promoting market competitiveness.

During the reporting period, ACE RMAs have facilitated trades in the FtF Zol. With the period in question being the back-end of the marketing season, the trade volumes were for pigeon pea only. During the three month period the RMAs managed to facilitate trades only in September, the total volume being 79.9 t of pigeon pea, organized into five trades in the districts of Machinga and Balaka. It should be noted that for the Bridging Activity, ACE is reporting only the trades for soybean, groundnut, and pigeon pea in the FtF Zol.

To boost volumes the RMAs will be meeting the producers, farmer organisations and MSMEs on a regular basis throughout the production and marketing seasons, to address marketing and trade related questions that the ACE potential clients might have. Through building a relationship with farmers and farmer groups, the ACE RMAs will be in a position to provide information on the marketing options available to them throughout the season.

During the reporting period, the ACE Trade Team has provided multiple trade facilitation services to producers, FOs, and MSMEs in the FtF Zol, facilitated 1,207.99 t of trades, 26.79 t of soybean, 1,101.30 t of groundnut, and 79.9 t of pigeon pea. These trades are a combination of direct trades and warehouse receipt trades.

Warehouse receipt deposits and operations

The Warehouse Operations team is managing and operating a number of ACE certified warehouses in the FtF Zol. A full list is provided in Annex 3, indicating those warehouses which are operated privately (highlighted in green) and those operated by ACE (highlighted in orange). In the warehouses that are privately operated, the role of ACE is to verify the stock through regular audits. In ACE-operated warehouses, ACE fully manages operations and conducts regular stock audits.

Furthermore, Annex 4 indicates that from the 70,654 t available in the FtF Zol 65,734 t is managed privately and 4,920 t is managed by ACE. From the list of those managed by ACE, three warehouses are operationally supported by the INVC Bridging Activity: Nabulenje warehouse in Mchinji, Nsaru warehouse in Lilongwe, and Namwe warehouse in Mangochi, a total capacity of 2000 t. These three warehouses require operational support in the short term until utilization rates reach break-even because they are newly constructed and operations have just commenced.

During the reporting period warehouse personnel issued warehouse receipts in ACE certified storage in the FtF Zol. In total 456.06 t of deposits were made; 296.07 t in August, 73.89 t in September, and 86.10 t in October. All deposits were for soybean and pigeon pea, with a total of 434.52 t of pigeon pea and 21.54 t of soybean. The volume of soybean was a lot less than the volume of pigeon pea because most of the soybean had been traded earlier, between April and

June, since it matures earlier than pigeon pea. In all ACE certified warehouses the Warehouse Operations team conducts regular inspections to verify stock volume.

Link farmers and other value chain participants to sources of financing

Trade Finance

For trade financing, ACE focused on maintaining the available finance for the period April 2016-March 2017, disbursing finance to clients within the FtF Zol, monitoring the expenditure from the funds disbursed, and tracking the sale of warehouse receipts and forward contracts and loan settlements.

A summary of available finance available for 2016/2017 marketing season is presented in Table. It should be noted that the available finance is for commodities nationally. In total there is MWK 8,260,000,000 available, (about USD 11,601,123.60). The finance is in MWK, therefore it will fluctuate with any drift in the exchange rate.

Table 6: Available financing facilities for the 2016/2017 season

Name of Bank	Total available (MWK)	USD equivalent
National Bank	1,600,000,000.00	2,247,191.01
First Merchant Bank	375,000,000.00	526,685.39
First Merchant Bank (special)	1,960,000,000.00	2,752,808.99
Leasing Finance Company	2,000,000,000.00	2,808,988.76
Export Development Fund	2,000,000,000.00	2,808,988.76
TOTAL	8,260,000,000.00	11,601,123.60

With regard to the disbursed finance during the reporting period, ACE facilitated a total of MWK 364,811,890 (USD 509,463.69) in the FtF Zol (Table 7). It should be noted that the value of finance disbursed considers all facility types and all commodities within the Zol; it is not specific to the three value chains under this project.

Table 7: Summary of finance disbursed in the FtF Zol between August and October 2016

Month	Finance disbursed (MWK)	Finance disbursed (USD)
August	50,627,500.00	70,900.51
September	305,299,430.00	426,097.70
October	8,884,960.00	12,465.48
Total	364,811,890.00	509,463.69

With regard to the monitoring of the disbursed finance and the sale of warehouse receipts and draw-down of forward contracts, ACE has been monitoring clients that have received finance and transacted via the ACE trade platform to sell and subsequently settle their account.

Improving agricultural productivity

Enabling farmers' access to improved inputs and services

Identification of farmer groups

Registration and verification of the farmer groups to participate in the seed credit scheme under the INVC bridging Activity, in areas implemented by CADECOM, FUM, and WE continued in the first half of October. Initially, 10,298 beneficiaries were registered but 4,702 more were registered later to reach a total of at least 15,000.

Agro-Tech which has been subcontracted by ACE, initially registered two farmer groups in two EPAs of 750 farmers each in Chiosya and Mikundi in Mchinji, totaling 1500 beneficiaries and three farmer groups of 500 farmers each in Lilongwe (Mkwinda, Mitundu, and Mlomba). However, at input distribution, only 1264 farmers were willing to get the seed credit and 143 withdrew because they felt the repayment rate of 120 kg in grain was too high. This, however, has not worried ACE because the goal is to work with small capable groups with a low risk of loan defaulting. Detailed validated beneficiary data are attached in Annex 6. The remainder of soybean seeds from the Chithumba model was relocated to WE farmer groups in Ntiya and Katuli in Mangochi where demand was high. Due to the poor germination experienced by some farmers in Mchinji, from the CG 7 seeds supplied by Global Seeds, the remaining seeds were withdrawn and will be returned to the supplier.

Meetings were held with CADECOM, FUM, and WE to discuss working modalities with DAES, MISST, and ACE, on their roles in the implementation of some key activities. It was agreed that MSU and MISST in partnership with DAES will be responsible for training extension workers (ToT) in good agronomic practices for all partners, ACE on the other hand will be responsible for ToT for best-bet postharvest practices and marketing options; CADECOM, FUM, and WE would be responsible for mobilizing farmers, and in collaboration with DAES provide extension support to farmer groups.

Orientation sessions for farmer groups

Pre-planting Training of Trainers (ToTs) on recommended crop husbandry in groundnut, soybean, and pigeon pea commenced on 15 November and ran through to 24 November in all FtF INVC Bridging Activity participating EPAs. The training targeted Government AEDCs, AEDOs, and field staff from partners' organizations (ACE, CADECOM, FUM, WE). In turn, these organized training for lead farmers and farmers in their respective groups, through demonstration plots. Technology promotion materials were distributed to AEDCs/AEDO as reference material for training for relevant crop husbandry by MISST technicians allocated in the district during the ToTs.

Training of Trainers was on best practices in land selection, soil and water conservation, planting patterns, plant spacing, and inoculant application. Fourteen AEDCs, 17 partner field officers, and 136 AEDOs were trained by MISST in 14 EPAs in five districts as shown in Table 8 below. The trained extension staff cascaded the knowledge to 336 lead farmers with supervision from MISST field officers in the 14 EPAs.

Table 8: Number of trainees in ToTs on recommended crop husbandry

District	EPA	AEDC	AEDO		LF		Partners	Total
			Total	Female	Total	Female		
Lilongwe	Chileka	1	9	7	61	29	1	72
	Chitsime	1	13	7	22	13	1	37
	Mitundu	1	7	6	0	0	2	10
	Subtotal	3	29	20	83	42	4	119
Mangochi	Katuli	1	11	2	40	16	0	52
	Mtiya	1	10	3	16	7	0	27
	Subtotal	2	21	5	56	23	0	79
Ntcheu	Njolomole	1	9	2	18	8	1	29
	Bilira	1	7	2	25	9	1	34
	Subtotal	2	16	4	43	17	2	63
Mchinji	Mikundi	1	13	3	101	56	2	117
	Chiosya	1	8	1	59	26	2	70
	Mlonyeni	1	13	2	0	0	2	16
	Subtotal	3	34	6	160	82	6	203
Dedza	Kanyama	1	10	3	112	48	1	124
	Chafumbwa	1	9	2	98	37	1	109
	Linthipe	1	10	4	111	45	1	123
	Subtotal	3	29	9	321	130	3	356
Total		13	129	44	663	294	15	820

Determining quantities of seeds of different crops/varieties

The Ag Specialist for INVC Bridging Activity, in collaboration with its implementing partners ACE, MIST CADECOM, FUM, and WE, visited FOs in all participating EPAs, consulting participating farmer groups to 1) validate selected farmer groups to participate in the bridging Activity, in 11 EPAs; 2) validate names and numbers of beneficiaries proposed to receive inputs and services from the Bridging Activity through partners, as well as be given the opportunity to choose the crop and variety of preference the FO would like to grow on terms mutually agreeable and 3) facilitate development of district and EPA work plans with partners for coming season. Table 9 presents the seed distribution plan developed upon consultation and validation with farmer groups.

Table 9: Seed credit plan developed with FOs and implementing partners

ESTIMATED SEED REQUIREMENT										
District	EPA	Cooperative	Partner	Crop Preference	Total Farmers	Pack (kg)	Makwacha-Soybean (kg)	TikoloreSoybean (kg)	Gnut (kg)	Total (kg)
DZ	Linthipe	Chitowo Soya Cooperative	FUM	Soybean	1500	10	15000			15000
	Kanyama	Dedza Smallholders Farmers Ass	CADECO M	Gnut	1200	10			12000	12000
	Chafumbwa	Lifidzi Smallholder Farmers Ass	CADECO M	Gnut	1300	10			13000	13000
LL	Chitsime	Nachichi Coop	FUM	Soy	500	10	5000			5000
	Chileka	Nyanja Coop	FUM	Soy	1500	10	15000			15000
	Mkwinda		ACE	Soy	500	30	15000			15000
	Mitundu		ACE	Soy	500	30	15000			15000
	Mlomba	Chisomo	ACE	Soy	500	30	15000			15000
MC	Chiosya	Machichi	FUM	Soy	950	10	9500			9500
	Mikundi	Mikundi	FUM	Soy	950	10	9500			9500
	Chiosya	Machichi	ACE	Gnut	750	30			22500	22500
	Mikundi	Mikundi	ACE	Gnut	750	30			22500	22500
NU	Njolomole	Njolomole Chapter	CADECO M	Soy	1000	10	10000			10000

	Bilira	Bilira Producers & Marketing	CADECO M	Soy	1000	10	10000			10000
MH	Mtiya	Mtiya Ass	WE Effect	Soy	900	10		9000		9000
	Katuli	Katuli Ass	WE Effect	Soy	1200	10		12000		12000
TOTAL					1500		119,000	21000	70000	210000
TOTAL REQUIRED (t)							119	21	70	210

Procurement and distribution of certified seeds

To facilitate the distribution of high quality legume seeds to farmers in the 2016/2017 production season, a prequalified procurement process for certified soybean seeds and inoculant was initiated on 27 October 2016. This followed a disqualification of bids submitted for tender distributed to prequalified bidders on 13 October. The reason for disqualification as observed by the IITA Procurement Committee was that the bids submission was inconsistent with IITA procurement procedures and the value of the seeds to be procured was above the threshold and required a waiver from IITA Headquarters.

The six resubmitted bids were opened and the compliant bids evaluated by the Procurement Committee. Four successful bidders were recommended to Project Management to supply certified seeds. These were Funwe Seeds who offered to supply 150 t of Makwacha soybean seeds at a value of MK113, 521,400; MUSECO Seed offered to supply 15 t of Tikolore soybean seeds at a value of MK19, 110,000; Agricultural Inputs Suppliers Ltd (AISL) offered to supply 105 t of CG7 groundnut seeds for MK189, 328,888.15; and Global Seeds offered to supply 30 t of CG7 at a value of MK47, 250,000. Management endorsed the recommendations and administration notified successful bidders. A request was made to the successful bidders to start packaging and mobilizing the seeds to distribution points, while contract documents were being prepared at IITA HQ. Before distribution of seeds, offered seed lots were sampled to determine viability, and the sampled lots indicated successful lab germination percentages of above 84%, which prompted the Ag Productivity Specialist to recommend commencement of distribution to FOs via partner designated distribution points (Annex 5). In total, 210 t of certified seeds (70 t of groundnut and 140 t of soybean) were distributed to the four implementing partners ACE, CADECOM, FUM, and WE for onward distribution to FOs and FO members.

Nitrofix soybean inoculant was procured from a single source – AISL is the only local commercial supplier of the product in Malawi – and delivered to soybean seed suppliers for packaging together with soybean seeds for distribution to beneficiaries.

Seed delivery to distribution points in all participating EPAs in the INVC Bridging Activity was done between 14 and 24 November 2016. Some farmer groups distributed the seeds to members immediately upon offloading, while some FOs took longer to conclude distribution to their members.

Monitoring seed distribution and early establishment

Monitoring visits were made to assess the seed distribution exercise and seed germination from 7 to 14 December in Mchinji, Lilongwe, Dedza, Ntcheu, and Mangochi districts. During the visits, discussions were held with DAES and partners' field staff in the districts. The visit to Mchinji was accompanied by the Director of Agricultural Development at USAID Mission in Malawi. At the time of monitoring, most farmers in Mchinji and Lilongwe had planted but only few had planted in Dedza, Ntcheu and Mangochi owing to insufficient soil moisture.

The monitoring visit revealed there were issues of low rate of germination of groundnut experienced by some farmers in Mchinji and Dedza. Suppliers of the seeds were notified and an observation team comprising ATL, IITA, Global Seeds, and AEDIC for the concerned EPAs was sent to the affected sections in the district. Farmers felt the poor germination was due to poor seed while the supplier felt it was due to deep planting and poor soil moisture. Due to lack of consensus, it was agreed and arranged that an independent investigation be made by the Seed

Services Unit. The investigation was done on 20 to 23 December and covered the four EPAs where groundnut seeds were distributed (Chiosya and Mikundi in Mchinji and Chafumbwa and Kanyama in Dedza). Farmers' fields were sampled and crop stand counted, and samples of leftover seeds taken for laboratory analysis. The lab analysis will be conducted soon after the Christmas and New Year break and a full report will be issued thereafter.

Demonstrations plots

MISST in collaboration with implementing partners and DAES have distributed seeds for demonstration (demo) plots to all EPAs in the INVC Bridging Activity Zol. Demo plots are in a series of three, soybean, groundnut and pigeonpea, which are managed by farmer groups with support from the DAES and implementing partners.

- There are 20 soybean demo plots per EPA, which are planted on a plot 8 rows by 8 m long, with 4 varieties each, and utilizing 1 kg of seeds per variety. In addition, there are 100 baby demonstrations of one variety of farmer's choice per site, also using 1 kg of seeds.
- For groundnut demos, there are 20 mother demos per EPA on a plot 6 ridges by 10 m long each with four varieties, using 1 kg of seeds per variety.
- Pigeonpea demos are also 20 mother demos per EPA, on 6 ridges by 10 m long demonstrating four varieties per demo and 250 g of each variety was used.

The number of well-established demos per EPA will be reported in the next quarterly report as some demos may fail to meet the required standard and may be dropped.

Seed fairs

CRS Malawi, in partnership with Organization for Sustainable Socio-Economic Development Initiative (OSSEDI), conducted Seed Fairs in Balaka, Machinga, and Mangochi districts with funding from IITA under the INVC Bridging Activity. Key sub-activities took place between 7 November and 2 December 2016. These included community mobilization and consultation meetings, beneficiary identification and verification, vendor mobilization, registration, and training, Seed Fairs, and distribution of inoculum for soybean.

Community mobilization and consultation meetings

Community mobilization meetings took place at district, traditional authority, and group village headman (GVH) levels. At district level, the briefings were done with the District Agriculture and Development Officer (DADO), and district level stakeholders such as Concern World Wide in Mangochi, and Project Concern International (PCI) and Concern Universal (CU) in Balaka. These meetings served as fora to discuss the plans for the INVC Bridging Activity Seed Fairs and to align them with the plans of other agencies to avoid overlaps or conflicts and to minimize gaps. The DADOs Office provided the information that guided the targeting of sites. The finally recommended sites were Mthiramanja and Maiwa EPAs in Mangochi district, Bazale and Rivirivi EPAs in Balaka district, and Nyambi and Domasi EPAs in Machinga district. Although the Project met and briefed the District Executive Committee (DEC) in Balaka district, the DEC in Mangochi and Machinga districts declined a meeting as their schedules were too busy. Meetings at EPA and GVH level were facilitated by the OSSEDI District Coordinators and Field Officers along with the Ministry of Agriculture Area Extension Development Coordinators (AEDCs) and Area Extension Development Officers (AEDOs).

Beneficiary identification and registration

Beneficiary identification was done by OSSEDI District Teams in collaboration with the AEDCs, with the beneficiary data compiled by OSSEDI District Teams. Initially, the plan was to adopt the beneficiary list from the previous INVC Project. However, those figures were higher than the Project's targets for Seed Fairs, and agencies such as PCI and Concern Worldwide had plans to target the very poorest farmers with Seed Fairs in these districts. To avoid beneficiary overlap and to ensure that farmers were able to utilize the seeds obtained through the Fairs, the selection criteria for the INVC Bridging Activity beneficiaries were adjusted to target the subset of farmers from the previous INVC project with at least 0.5 ha of land, which was made possible through assistance from the EPA staff who maintain lists of farmers and their land holding sizes. While PCI and Concern Worldwide targeted the very poorest, the INVC Bridging Activity targeted the farmers slightly better off – those who have better potential to engage with markets. A complete database of beneficiaries of Seed Fairs under the INVC bridging Activity is presented in Annex 6.

Vendor mobilization, registration, and training

In Mangochi district, agro-dealer mobilization was done in collaboration with Concern World Wide and co-facilitated by the District Crops Officer. In Balaka and Machinga districts the meetings were also co-facilitated by representatives from the DADO's Office. By the end of the meeting, participants agreed on the market dates and maximum prices for seeds. The interested agro-dealers then signed Memoranda of Understanding. The total number of agro-dealers in the three districts was 36 but those agreeing to participate and sign MoUs numbered 21. Most of those opting out of participation in the Seed Fairs were from Mangochi district. The reduction in number was mainly because many agro-dealers especially in Mangochi district did not think they could comply with the conditions in the MoU.

Conducting seed fairs

The Seed Fairs in the three districts successfully took place between 5 and 25 December 2016. This timing was acceptable as it was still during the onset of the rainy season, when most of the farmers had not yet planted. The following were seeds and varieties which were sold at the Seed Fairs.

Table 10: Seed types and varieties offered at seed fairs in three districts

District	Crop	Varieties	Comments
Mangochi	Groundnut	CG 7 and CG	The initial agreement was to allow only CG7. However, later the seed inspector agreed to allow CG produced by SeedCo, as it has properties similar to CG7.
	Soybean	Makwacha and Serenade	The varieties were acceptable. However, many farmers did not want to plant soybean but preferred groundnut and pigeon pea.
	Pigeon pea	MwaiwathuAlimi	Although this was acceptable, many farmers expressed a preference for the local "Nthawajuni" variety, which is higher yielding. Nthawajuni was not on the market as is not a certified variety although it

			is adapted and high performing. This constitutes part of the debate regarding whether or not only certified seeds should be provided to farmers. While proponents of certified seeds – particularly the seed companies – have lobbied to exclude local varieties, it is these locally adapted varieties that farmers are able to afford and that continue to be the mainstay of farmers' planting material, particularly legumes.
Machinga	Groundnut	CG7	Acceptable.
	Soybean	Makwacha and Serenade	Acceptable.
	Pigeon pea	MwaiwathuAlimi	Acceptable.
Balaka	Groundnut	CG7	Acceptable.
	Soybean	Makwacha, Tikolore and Serenade	Acceptable.
	Pigeon pea	MwaiwathuAlimi	Variety was in short supply at one market: this market had to be delayed for dealers to re-stock.

In general, the combination of the seed package was not in favour of the farmer because some farmers wanted one or two seed types but they were encouraged to take all three types for easy voucher calculation. The need for crop diversification in the wake of climate change and erratic rainfall was highlighted as one reason of getting all three seed types. The seed quality was generally good because, only certified seeds were allowed on the market and the quality checks for appearance, correct labelling, and the like continued to take place during the implementation of the Seed Fairs. A challenge which was observed on the seed quality was on how farmers could select the best quality seeds from the same variety which was being produced by different companies. This was silent on the market on assumption that all the seeds regardless of the company had the same quality and farmer preference was just based on agro-dealer's marketing skills. In terms of quantity, the supply for all the crops was good except for one market in Balaka where seeds for one crop type was not available at all agro-dealers stands. This led to the postponement of the market to the following day to enable agro-dealers replenish the missing stock.

Breakdown of the voucher

The seed voucher value was based on the price list in Table 11 below.

Table 11: Voucher allocation per seed/beneficiary

Seed Type	Unit	Unit Price (MK)
Groundnut	Kg	2600
Pigeon pea	Kg	2600
Soybean	Kg	1900
Inoculant (50 g sachet)	Sachet	1500

Distribution of Inoculum

Owing to its limited shelf life, inoculum distribution was done following the Seed Fairs. The vouchers worth MK1500.00 were not separated from the main vouchers and were retained by CRS to be redeemed during the distribution of inoculant. The distribution of inoculum was done between 29 November and 2 December in all three districts. The Mangochi team was joined by CRS, AISL (the supplier for Nitrofix soybean inoculant) and IITA, while the Balaka and Machinga teams were joined by CRS and AISL. Technical instructions on the correct usage of the inoculant were provided to farmers by AISL and IITA.

Seed fair monitoring plan

OSSEDI will monitor the project activities immediately after the Seed Fairs to collect data and encourage farmers on proper planting, use of inoculant with soybean and aflatoxin management in groundnut production. CRS Malawi will provide technical support to come up with a standardized tool for data collection on how many farmers actually planted, time of planting, correct planting spacing, inoculant application, and also to link them up with IITA lead farmers doing demonstrations on production.

Seed Fair Challenges and Recommendations

The seed inspectors were not able to come to all the Seed Fairs owing to other official assignments and the inspection was not standardized in all the three districts. For example, some seeds which were allowed in one district – local varieties – were not allowed in another district, with no proper justification.

There was a felt need among farmers for more information about marketing of their crops after harvest. CRS and OSSEDI will endeavour to include linkage to markets in their interaction with farmers during the growing period (sub-activity 2.10: Follow-up with farmers on planting, germination, crop development, harvest, and marketing). This sub-activity is to be done in collaboration with the Department of Agriculture Extension Services (DAES), Malawi Improved Seed Systems and Technologies (MISST), and WE EFFECT. Farmers still need more guidance on the utilization of the seeds obtained and there is need for comprehensive monitoring by CRS and OSSEDI to ensure that farmers adhere to the advice they were given. There is also a need to develop a clear marketing plan for the produce.

Monitoring and evaluation

The process of developing an M&E framework stagnated due to absence of an M&E Specialist to lead the activity. Two candidates who were offered the position following successful interviews declined to take up the offer. This has left a big gap in the technical team. However, the M&E team at IITA Headquarters guided and helped the two component leads (Advancing market Competitiveness and Promoting Agricultural Productivity) to develop an M&E framework, data collection matrix, and indicator targets, from which a data collection tool will be developed (Annex 7(ii)). A decision has been made to replace the position of M&E Specialist with a short-term consultant to help with some key M&E activities. The position will be advertised early in Quarter 3.

Challenges

- One challenge faced in Quarter 2 was the absence of an M&E Specialist on the team. This has caused delays in finalizing the M&E framework and work plan, as the team is depending on M&E support from IITA HQ. However, this will be resolved once an M&E consultant for the Activity is identified.
- Also due to time factor, and pressure of other critical activities of seed procurement and distribution for a small team of three officers, it was a challenge to do a thorough monitoring of the Seed Fair activity because of its coincidence with the seed distribution for seed credit scheme to partner organizations, which also required staff time to attend to distribution logistics and monitoring.
- There was inadequate coordination between CRS and other collaborators, DAES and IITA, on the Seed Fair activities. As a result, farmer orientation plans were not synchronized among the three parties. This meant orientation was done at selected markets. However, trainees who attended the ToT trainings in November will support farmers in their Zols on best agricultural practices.
- Some groundnut seeds have not germinated to expectations in Mchinji. Farmers have blamed the poor germination on the quality of seeds, whilst the supplier has blamed the conditions at planting as the cause. SSU was requested to investigate the issue and issue a report which can be used to decide the way forward.
- ACE was not able to distribute seeds to all 3000 producers which had it had registered because some registered producers decided to withdraw from the Chithumba loan scheme at the last minute. This failure would have resulted in registering lower than the 15000 target beneficiaries for the seed credit scheme. A quick decision was made to relocate the remaining seeds to more beneficiaries in EPAs implemented by other partners where demand for the seed loan scheme was high in order to reach the targeted 15000 beneficiaries.

Planned activities for quarter 3

1. Component 1- advancing competitive market: The next quarter will be dedicated to conducting participatory assessment of partner staff and FOs to determine the level of knowledge and how it can be enhanced. It will be a period for coordinating activities that will prepare producers for collective marketing, strengthening and promoting access to market information, through training and facilitating trade by linking producers to buyers. To facilitate this, a database of value chain actors and commodity prices will have to be developed.
2. Component 2- agricultural productivity: During Quarter 3, support will be provided to farmers to apply the recommended technology in order to achieve optimal crop yields. This will be through provision of extension services, conducting trainings on best-bet technologies for boosting productivity for extension staff and lead farmers who in turn will train farmers in their FOs. Field days demonstrating best-bet technologies will also be conducted in all EPAs in the ZOI. The period will also be dedicated to revising the beneficiary database with GIS tags and ensuring that a sample of the beneficiaries is collecting production records throughout the season which will be used to do economic analyses of agricultural productivity and marketing initiatives undertaken by the Bridging Activity at the end of the season. This will be done in partnership with implementing partners. Monitoring of field activities will continue.
3. Monitoring and evaluation: A spot survey to determine adoption of promoted technologies and farmers' perceptions of the technologies. This will be led by a consultant who will be hired during the quarter.
4. Management: Identification through interviews of suitable candidates for positions of Field Technicians and M&E Consultant will be done in the first half of Quarter 3. Finalization of reregistration of the vehicles which were acquired from the INVC Project and subsequent transfer to partners will also be finalized in the first half of Quarter 3. It is expected that reconciliation of seed quantities distributed to farmers will be finalized in Quarter 3 once all sign-up sheets are received and validated for finalizing payments to suppliers. Preparation of a joint work plan and working modalities for Advancing Market Competitiveness (Component 2) will be pursued with ADIN project.

Cross-cutting issues

The INVC Bridging Activity promotes inclusive gender participation in all its activities. Farmer groups registered for participation in the activities have a fair representation of men, women, and the youth. It was also observed that women are also taking up leadership roles in the management of their organizations. For example, in Bilira Producers in Ntcheu and Marketing Cooperative, and Phirilanjuzi Producers Cooperative in Lilongwe, women are holding various positions and significant roles in the Executive Committees, either as Presidents or Deputies. This ensures that gender related issues are taken into account in the administration of the FOs.

Conclusion

Despite the late appointment of the Bridging Activity team, which resulted in the late preparation of procurement documents and solicitation of qualified certified seed suppliers, the process was fast-tracked and ultimately seeds were delivered before the planting rains in all sites. This was real success as all other activities in the Bridging Activity depend on the promotion of productivity which starts with good seeds and early planting. Spot monitoring indicated good crop establishment particularly with soybean. Farmers are looking forward to a bumper yield, especially with the current rain pattern which is giving the early crop a good boost. The depressed tobacco market experienced this past season has caused many farmers to look for alternatives to tobacco and grain legumes seem to be the cash crops farmers are looking up to. This has provided an ideal opportunity for the Bridging Activity to convince farmer groups who were primarily focused on tobacco production to switch to soybean and groundnut as alternatives. As a result, the Activity has been well received.

Annexes

Annex 1: Success story

The success story for the quarter is a testimony given by a youthful farmer in Mphirilanjuzi in Mlomba EPA, who showed appreciation for the recommended spacing for the value chain crops which he realized was a very efficient way of using land because on the same piece of land where he used to make 18 ridges he was able to pack in 22 ridges; and with double row planting he realized this will give him a big leap in productivity. He was very proud and eager to show the monitoring team his young crop.



Noel Daniel of Chisomo Club is admiring the technology of planting double rows in 15x20x75 cm spacing. Photo credit: Pelias Kabuli/IITA.

Annex 2: An example of a weekly advert placed in the nation newspaper



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LATEST PRICE ON ACE / MTENGO YA LERO			FORWARD CONTRACT PRICE / MTENGO WAPATSOGOLO PA KONTILAKITI		
COMMODITY / MBEU	DATE	PRICE/KG	14 DEC	04 JAN	25 JAN
SOYA BEANS	09/11/2016	K 239.00	K 242.00	K 247.00	K 252.00
SOYA BEANS	09/11/2016	K 235.00	K 242.00	K 252.00	K 257.00
SOYA BEANS	09/11/2016	K 240.00	K 253.00	K 257.00	K 262.00
WHITE MAIZE	09/11/2016	K 195.00	K 207.00	K 211.00	K 216.00
WHITE MAIZE	09/11/2016	K 250.00	K 263.00	K 267.00	K 272.00
SUNFLOWER	09/11/2016	K 200.00	K 212.00	K 216.00	K 221.00
COW PEAS	09/11/2016	K 320.00	K 334.00	K 339.00	K 343.00
PIGEON PEAS	09/11/2016	K 300.00	K 314.00	K 319.00	K 323.00






For more information visit www.aceafrica.org or contact ACE trade floor on +265 99 822 2223, email ace@aceafrica.org



Annex 3: ACE certified warehouses in the FtF Zol

ACE certified storage sites				
Warehouse	District	Location	Capacity (t)	Date certified
Balaka Warehouse	Balaka	Rural	500	Apr-13
Dedza	Dedza	Rural	300	Apr-13
RAB Dedza	Dedza	Rural	500	Sep-16
Alinaz Processors	Lilongwe	Urban	300	Mar-15
Charles Stewart	Lilongwe	Urban	12	Dec-15
CP Feeds/CAPs Limited	Lilongwe	Urban	13,000	Feb-14
Export Trading	Lilongwe	Urban	20,000	Feb-14
Grain Security	Lilongwe	Urban	12,000	Jun-14
Nathenje Warehouse	Lilongwe	Rural	400	Apr-13
Nsaru Warehouse	Lilongwe	Rural	700	Jul-15
Paramount Holdings	Lilongwe	Urban	2,000	Dec-15
Platinum Produce	Lilongwe	Urban	2,452	Jun-14
Rab Warehouse	Lilongwe	Urban	3,000	Mar-12
SSV oil	Lilongwe	Urban	6,720	Oct-13
Sunseed Oil	Lilongwe	Urban	2,000	Aug-14
Nsanama Warehouse	Machinga	Rural	700	May-15
Namwera Warehouse	Mangochi	Rural	700	May-15
Chioka Warehouse	Mchinji	Rural	340	Mar-16
Nabulenje WH	Mchinji	Rural	600	Jul-15
Export Trading	Mchinji	Rural	500	Jun-14
NASFAM Kamwendo	Mchinji	Rural	750	Jun-14
Nkhunguyembe Cooperative	Mchinji	Rural	340	Aug-14
RAB Kamwendo	Mchinji	Rural	1,500	Mar-16
Waliranji Warehouse	Mchinji	Rural	1,000	May-16
Umodzi Warehouse	Mchinji	Rural	340	Mar-16
Total			70,654	

Annex 4: ACE farmer profile form and details



Ace
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Contact Profiling Details
ACE Alerts Information


Date: _____

Location: _____

First Name	Last Name	Gender	Married	N. Kids	Crops Grown	Land in ha	Village
Organization (NGOs, etc.)	Farmer Association	Club					District
Commodities (Max. 2 from list)	Markets (Max. 6 from list)				Mobile Number	Signature	
					Email		

First Name	Last Name	Gender	Married	N. Kids	Crops Grown	Land in ha	Village
Organization (NGOs, etc.)	Farmer Association	Club					District
Commodities (Max. 2 from list)	Markets (Max. 6 from list)				Mobile Number	Signature	
					Email		

First Name	Last Name	Gender	Married	N. Kids	Crops Grown	Land in ha	Village
Organization (NGOs, etc.)	Farmer Association	Club					District
Commodities (Max. 2 from list)	Markets (Max. 6 from list)				Mobile Number	Signature	
					Email		



Ace
Agricultural Commodity Exchange for Africa

Contact Profiling Details
ACE Alerts Information

List of Markets	List of Commodities
Balaka	Beans Dolichos
Jenda	Beans Kholophethe
Lilongwe	Beans mix
Limbe	Beans Nanyati
Lizulu	Beans Napilira
Mangochi	Beans Red
Mchinji	Cowpea
Mitundu	Groundnut chalimbana shelled
Mkando	Groundnut chalimbana unshelled
Mzimba	Groundnut G7 shelled
Nkhamenya	Groundnut G7 unshelled
Madisi	Groundnut manipinta shelled
Mponela	Groundnut manipinta unshelled
Mvera	Maize Pop Corn Grain
Ntchisi	Maize white grain
Chimbiya	Pigeon pea
ACE Market Lilongwe	Rice local faya polished
Thondwe	Rice local faya unpolished
Phalombe	Rice local kilombero polished
Salima	Rice local kilombero unpolished
Nkhotakota	Rice local pusa polished
	Rice local pusa unpolished
	Sorghum
	Soya bean
	Sunflower

Annex 5: Seed distribution by supplier to partner organizations

EPA	ACE			CADECOM			FUM			WE EFFECT				
	QTY of Seeds (kg)		No. of Beneficiaries	QTY of Seeds (kg)		No. of Beneficiaries	QTY of Seeds (kg)		No. of Beneficiaries	QTY of Seeds (kg)		No. of Beneficiaries	Total	
	G/nut s=	Soy		Soy	G/nut		Soy	G/nut		G/nut	Soy		Seeds	Beneficiaries
Chafumbwa					13000	1300						0	13000	1300
Kanyama					12000	1200						0	12000	1200
Njolomole				10000		1000						0	10000	1000
Bilira				10000		1000						0	10000	1000
												0		
Linthipe							15000		1500			0	15000	1500
Chitsime ₁							5000		500			0	5000	500
Chileka							15000		1500			0	15000	1500
Mkwinda		15000	500									0	15000	500
Mitundu		15000	500									0	15000	500
Mlomba		15000	500									0	15000	500

												0		
Chiosya	22500		750				9500		950			0	3200 0	1700
Mikundi	22500		750				9500		950			0	3200 0	1700
												0	0	
Mtiya										9000	900	9000	900	
Katuli										1200 0	1200	1200 0	1200	
	45000	450 00	3000	2000 0	2500 0	4500	5400 0	0	5400	0	2100 0	2100	2100 00	15000

Annex 6: Beneficiaries of 2016 seed fairs under INVC Bridging Activity

District	EPA	T/A	Seed Fair Date (NOV)	Venue Name	Targeted Beneficiaries	Total # of beneficiaries	Men	Women	No of Agro dealers
Machinga	Domasi	Chamba	15	Chamatwa	600	600	123	477	11
	Domasi	Mposa	16	Matanda	1146	1146	344	802	11
	Domasi	Mposa	17	Matanda					11
	Domasi	Mposa	18	Mchilima	433	433	133	300	11
	Domasi	Mposa	19	Lingoni	487	487	194	293	11
	Domasi	Mposa	20	Puteya	334	334	98	236	11
	Nyambi	Nyambi	21	Chisisa	500	500	97	403	12
	Nyambi	Chiwalo	22	Chiwalo	500	500	123	377	12
	Nyambi	Nyambi	23	Nyambi	500	500	110	390	12

	Nyambi	Nyambi	24	Chikojo	500	500	180	320	12
		Kapoloma		Kapoloma	500	500	188	322	11
	Nyambi	Nyambi	25	Nkwepele	500	500	112	388	11
Subtotal for Machinga					6000	6000	1702	4308	12
Balaka	Rivirivi	Chathunya and Msamala	15	RIVIRIVI	500	500	240	260	12
	Rivirivi	Chathunya and Msamala	16	seche	500	500	145	355	12
	Rivirivi	Chathunya and Msamala	17	nchima	500	500	220	280	12
	Rivirivi	Chathunya and Msamala	18	Malopa	500	500	239	261	12
	Rivirivi	Chathunya and Msamala	19	nsaluzawana	500	500	172	328	12
	Rivirivi	Chathunya and Msamala	20	St steven	500	500	214	286	12
	Bazare	Msamala, Kachenga and Sawali	21	matola	500	500	222	278	11
	Bazare	Msamala, Kachenga and Sawali	22	kapalamula	500	500	244	256	11
	Bazare	Msamala, Kachenga and Sawali	22	khwisa	500	500	122	378	11
	Bazare	Msamala, Kachenga and Sawali	24	Liwonde	500	500	102	398	11

	Bazare	Msamala, Kachenga and Sawali	24	msamala	500	500	140	360	11
	Bazare	Msamala, Kachenga and Sawali	25	Mpilisi	500	500	170	330	11
Subtotal for Balaka					6000	6000	2230	3770	12
Mangochi	Mthiramanja	Chimwala	15	Chiunda FP School	400	197	99	98	6
	Mthiramanja	Chimwala	16	Mthiramanja EPA	600	590	229	361	7
	Mthiramanja	Chimwala	16	Mthiramanja EPA	600	500	211	289	7
	Mthiramanja	Mpondasi	18	Namisi FP School	500	629	225	404	7
	Mthiramanja	Mpondasi	18	Namisi FP School	500	667	307	360	7
	Mthiramanja	Mpondasi	19	Mpitolira FP School	400	419	169	250	6
	Maiwa	Chowe	21	Mtuwa Old School	500	505	153	352	7
	Maiwa	Chowe	22	Chinguwo FP School	500	393	159	234	5
	Maiwa	Chowe	22	Mbombwe FP School	500	480	166	314	5
	Maiwa	Chowe	23	Maiwa EPA	500	447	167	280	7
	Maiwa	Chowe	23	Nalikolo FP	500	524	169	355	7

				School					
	Maiwa	Chowe	24	Malukula FP School	500	614	193	421	5
Subtotal for Mangochi					6000	5965	2247	3718	7
Grand Total For 3 Districts					18000	17965	6179	11796	31

Annex 7: Monitoring plans

i. Draft activity work plan

- Downloadable online at the following link: <http://africa-rising.wikispaces.com/file/detail/Draft+activity+plan+-+INVC+Q2+report24Jan2017.xlsx>

ii. Draft monitoring and evaluation framework

Downloadable online at the following link: <http://africa-rising.wikispaces.com/file/detail/Draft+M%26E+framework+-+INVC+Q2+report24Jan2017.xlsx>